

104TH CONGRESS
1ST SESSION

S. 865

Entitled the “Securities Act Amendment of 1995”.

IN THE SENATE OF THE UNITED STATES

MAY 25 (legislative day, MAY 15), 1995

Mr. BENNETT introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

Entitled the “Securities Act Amendment of 1995”.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. LOSS CAUSATION.**

4 Section 12(2) of the Securities Act of 1933 (15
5 U.S.C. 771) is amended by inserting before the period at
6 the end the following: “*Provided*, That such remedy of re-
7 scission shall not be available if the defendant proves that
8 any depreciation in value of such security represents other
9 than depreciation in value of such security resulting from
10 such part of the prospectus, with respect to which his li-
11 ability is asserted, not being true or omitting to state a
12 material fact required to be stated therein or necessary

1 to make the statements therein not misleading, in which
2 case the person purchasing such security shall recover as
3 damages only so much of the depreciation in value of such
4 security as such defendant shall fail to prove to have re-
5 sulted from a cause other than his misrepresentation or
6 omission in such prospectus.”.

